

PRESS RELEASE OF
JOHNSON PUBLISHING COMPANY, LLC
a Delaware Limited Liability Company

FOR IMMEDIATE RELEASE
April 9, 2019

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CHICAGO, Illinois – In an effort to maximize the value of its assets for the benefit of all of its creditors, and after many unsuccessful attempts to restructure, obtain alternative financing, or sell the company as a going concern, Johnson Publishing Company, LLC has today filed a voluntary case under Chapter 7 of the Bankruptcy Code.

This decision was not easy, nor should it have been. Johnson Publishing Company is an iconic part of American and African American history since our founding in 1942, and the company's impact on society cannot be overstated.

A confluence of adverse events and factors outside of the company's control led to this decision, including: (i) the failure of the purchaser of the company's media division to make required payments; (ii) the bankruptcy of one of the company's largest retailers; (iii) increasing competition from e-commerce in the cosmetic business; and (iv) a costly recall resulting from receiving products with quality issues from one of its manufacturers. In short, Johnson Publishing Company was caught in a tidal wave of marketplace changes and business issues which, despite exhaustive efforts, could not be overcome.

The Chapter 7 case will provide a court-supervised process. It is the company's hope that the Chapter 7 Trustee will embark upon this process with a view toward maximizing the value of the assets of Johnson Publishing Company through a sale of such assets for the benefit of the company's creditors.

A group with a proven track record of advancing cultural preservation, supporting community-based businesses and building and operating legacy brands has offered to purchase certain assets, and the offer will be presented to the Trustee for evaluation.

While the process is now in the hands of a Chapter 7 Trustee, Johnson Publishing Company is grateful for its 77 years of existence, and the unwavering loyalty, dedication and commitment of its employees, vendors and customers. The incredible legacy and impact of Johnson Publishing Company will always be honored and hold a proud place in the African American experience.

The filing was made today in the United States Bankruptcy Court for the Northern District of Illinois.